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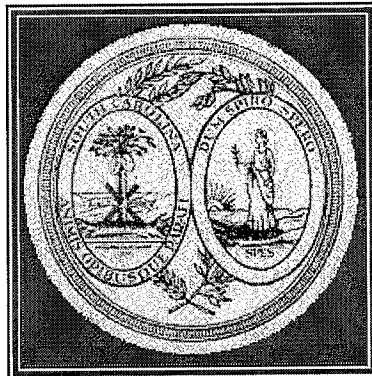
S. C. PUBLIC SERVICE COMMISSION
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ORIGINAL

UPSTATE WATER RESOURCES, INC.

DOCKET NO. 1999-164-W

S. C. PUBLIC SERVICE COMMISSION
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UTILITIES DEPARTMENT



Testimony of
Charles A. Creech
Public Service Commission of South Carolina

RETURN DATE: OK MR
SERVICE: OK MR

Q. WOULD YOU PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION?

A. My name is Charles A. Creech and my business address is Koger Executive Center, 101 Executive Center Drive, Columbia, South Carolina. I am employed by the Public Service Commission of South Carolina in the Utilities Department as an Associate Engineer and have been so employed since July of 1972.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY REGARDING UPSTATE WATER RESOURCES, INC.?

A. The purpose of my testimony is to advise the Commission of the issues under consideration in this matter, and of the service provided by the Company.

Q. WOULD YOU PLEASE TELL THE COMMISSION THE MATTERS THAT ARE BEFORE THEM TODAY?

A. The Company is requesting Commission approval of the contracts between the Homeowner's Associations in Cedar Creek and Keowee Bay which have been in effect since October of 1994. Additionally, the Commission has been requested to approve a monthly rate for each customer of Upstate in the Bay Ridge Subdivision.

Q. WOULD YOU PLEASE ADVISE THE COMMISSION OF THE RESULTS OF YOUR FIELD INVESTIGATION OF THE SERVICE PROVIDED BY UPSTATE IN THE THREE SUBDIVISIONS.

A. Staff worked in the field surveying customers in the three subdivisions on July 6th, 7th and 8th of this year.

Attached to this testimony are the results of the investigation of the wells, tanks and pump houses owned by the Company. The systems were operating satisfactorily in all three subdivisions.

Staff talked with customers in each of the three subdivisions and also checked pressures at customers' homes.

In Cedar Creek, located in Pickens County, one customer said at times he experienced an iron problem and other customers said service was satisfactory. The pressure ranged from 40 PSI to 100+ PSI.

The customers in Keowee Bay, Oconee County, who were home had no problems. The pressure in this subdivision ranged from 45 PSI to 100+ PSI.

Customers in Bay Ridge, also in Oconee County, seemed to experience more service problems. One of the four full time residents said she had no problems. Two of the other families experienced low pressure, green foam in whirlpool, blue stains in bathroom fixtures, and erratic pressure (20-100) PSI. There was a concern that there was not a posted telephone number which could be used to contact the Company; and sometimes there is sediment in the water and a film on the water.

In each subdivision the customers said when a problem arose Mr. Schmid responds very quickly to the problem.

Q. HOW DID YOU DETERMINE THE ANNUAL REVENUE THAT WOULD BE GENERATED BY THE CONTRACTS AND THE REQUESTED RATES?

A. We annualized the monthly contracts for Keowee Bay and Cedar Creek. In Bay Ridge the contract rate was paid for the first five (5) months in 1998 and nothing has been paid since. Because the Commission would be setting rates prospectively, we used the requested monthly rate of \$40.00 for each of the customers and annualized this figure. Using Staff's calculations and the requested rates, the Company will generate \$33,840 in revenue.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.

WATER

UTILITY	<u>Upstate Water Resources, Inc.</u>	INSPECTED BY	<u>Charles A. Creech</u>
SYSTEM	<u>Bay Ridge</u>	DATE INSPECTED	<u>7/6/99</u>
		COMPANY REP	<u>Larry Schmid</u>
TOTAL NUMBER OF WELL SITES		<u>2</u>	
NUMBER OF WELLS NOT IN OPERATION		<u>0</u>	
REASON FOR INOPERABLE WELLS			
PUMP HOUSES	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	NUMBER <u>2 pump & 1 tank</u>
ELECTRIC WIRING	ACCEPTABLE <input checked="" type="checkbox"/>	FAULTY <input checked="" type="checkbox"/>	
EXPOSED PIPING	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
LOCATION			
CHLORINATOR	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	
OTHER CHEMICALS	YES <input checked="" type="checkbox"/> (lime)	NO <input type="checkbox"/>	
IN USE	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
STORAGE	PRESSURE TANK <input checked="" type="checkbox"/>	NON-PRESSURE TANK <input type="checkbox"/>	
	GROUND LEVEL <input checked="" type="checkbox"/>	OVERHEAD <input type="checkbox"/>	
SIZE IN GALLONS	<u>8000</u>		
P.S.I. AT TANK	<u>125</u>		
METERS	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
FIRE HYDRANTS	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
AIR IN LINES	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
SAND IN WATER	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
CLARITY OF WATER	<u>Good</u>		
ODOR	<u>None</u>		
LEAKS	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
LOCATION			
NEW CONSTRUCTION	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	
HOUSES	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	
UTILITY	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
NATURE			
FREQUENCY CHECKED BY OPERATOR		<u>3 to 5 times a week</u>	
APPROXIMATE NUMBER OF CUSTOMERS		<u>12</u>	CAPACITY OF SYSTEM <u>68</u>
LOCATION OF UTILITY OFFICE <u>196 W. Ridge Drive, Travelers Rest, SC 29690</u>			
LOCATION OF SYSTEM <u>Oconee County</u>			
SYSTEM APPROVED BY COMMISSION		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/> DATE <u> </u>
IS SUBDIVISION PROVIDED SEWER BY THIS UTILITY?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
		BY WHOM?	<u>Septic tanks</u>
OTHER COMMENTS			

WATER

UTILITY	<u>Upstate Water Resources, Inc.</u>		INSPECTED BY	<u>Charles A. Creech</u>	
SYSTEM	<u>Keowee Bay</u>		DATE INSPECTED	<u>7/6/99</u>	
			COMPANY REP	<u>Larry Schmid</u>	
TOTAL NUMBER OF WELL SITES			<u>2</u>		
NUMBER OF WELLS NOT IN OPERATION			<u>0</u>		
REASON FOR INOPERABLE WELLS					
PUMP HOUSES	YES	<u>✓</u>	NO	<u> </u>	NUMBER <u>2 pump & 1 tank</u>
ELECTRIC WIRING	ACCEPTABLE	<u> </u>	✓	<u> </u>	FAULTY <u> </u>
EXPOSED PIPING	YES	<u> </u>	NO	<u>✓</u>	<u> </u>
LOCATION					
CHLORINATOR	YES	<u>✓</u>	NO	<u> </u>	
OTHER CHEMICALS	YES	<u>✓ (lime)</u>	NO	<u> </u>	
IN USE	YES	<u> </u>	NO	<u> </u>	
STORAGE	PRESSURE TANK	<u>✓</u>	NON-PRESSURE TANK	<u> </u>	
	GROUND LEVEL	<u>✓</u>	OVERHEAD	<u> </u>	
SIZE IN GALLONS	<u>8000</u>				
P.S.I. AT TANK	<u>90</u>				
METERS	YES	<u> </u>	NO	<u>✓</u>	
FIRE HYDRANTS	YES	<u> </u>	NO	<u>✓</u>	
AIR IN LINES	YES	<u> </u>	NO	<u>✓</u>	
SAND IN WATER	YES	<u> </u>	NO	<u>✓</u>	
CLARITY OF WATER	<u>Good</u>				
ODOR	<u>None</u>				
LEAKS	YES	<u> </u>	NO	<u>✓</u>	
LOCATION					
NEW CONSTRUCTION	YES	<u>✓</u>	NO	<u> </u>	
HOUSES	YES	<u>✓</u>	NO	<u> </u>	
UTILITY	YES	<u> </u>	NO	<u>✓</u>	
NATURE <u> </u>					
FREQUENCY CHECKED BY OPERATOR			<u>3 to 5 times a week</u>		
APPROXIMATE NUMBER OF CUSTOMERS			<u>23</u>	CAPACITY OF SYSTEM	<u>135</u>
LOCATION OF UTILITY OFFICE			<u>196 W. Ridge Drive, Travelers Rest, SC 29690</u>		
LOCATION OF SYSTEM			<u>Oconee County</u>		
SYSTEM APPROVED BY COMMISSION			YES <u> </u>	NO <u>✓</u>	DATE <u> </u>
IS SUBDIVISION PROVIDED SEWER BY THIS UTILITY?			YES <u> </u>	NO <u>✓</u>	
			BY WHOM?	<u>Septic tanks</u>	
OTHER COMMENTS <u> </u>					

WATER

UTILITY	<u>Upstate Water Resources, Inc.</u>		INSPECTED BY	<u>Charles A. Creech</u>	
SYSTEM	<u>Cedar Creek</u>		DATE INSPECTED	<u>7/6/99</u>	
			COMPANY REP	<u>Larry Schmid</u>	
TOTAL NUMBER OF WELL SITES			<u>2</u>		
NUMBER OF WELLS NOT IN OPERATION			<u>0</u>		
REASON FOR INOPERABLE WELLS					
PUMP HOUSES	YES	<u>✓</u>	NO	<u>NUMBER 2 pump & 1 tank</u>	
ELECTRIC WIRING	ACCEPTABLE	<u>✓</u>	FAULTY		
EXPOSED PIPING	YES		NO	<u>✓</u>	
LOCATION					
CHLORINATOR	YES	<u>✓</u>	NO		
OTHER CHEMICALS	YES	<u>✓ (lime)</u>	NO		
IN USE	YES		NO		
STORAGE	PRESSURE TANK	<u>✓</u>	NON-PRESSURE TANK		
	GROUND LEVEL	<u>✓</u>	OVERHEAD		
SIZE IN GALLONS	<u>8000</u>				
P.S.I. AT TANK	<u>125</u>				
METERS	YES		NO	<u>✓</u>	
FIRE HYDRANTS	YES		NO	<u>✓</u>	
AIR IN LINES	YES		NO	<u>✓</u>	
SAND IN WATER	YES		NO	<u>✓</u>	
CLARITY OF WATER	<u>Good</u>				
ODOR	<u>None</u>				
LEAKS	YES		NO	<u>✓</u>	
LOCATION					
NEW CONSTRUCTION	YES	<u>✓</u>	NO		
HOUSES	YES	<u>✓</u>	NO		
UTILITY	YES		NO	<u>✓</u>	
NATURE					
FREQUENCY CHECKED BY OPERATOR			<u>3 to 5 times a week</u>		
APPROXIMATE NUMBER OF CUSTOMERS			<u>17</u>	CAPACITY OF SYSTEM	<u>100</u>
LOCATION OF UTILITY OFFICE <u>196 W. Ridge Drive, Travelers Rest, SC 29690</u>					
LOCATION OF SYSTEM <u>Pickens</u>					
SYSTEM APPROVED BY COMMISSION			YES	NO	<u>✓</u> DATE
IS SUBDIVISION PROVIDED SEWER BY THIS UTILITY?			YES	NO	<u>✓</u>
			BY WHOM? <u>Septic tanks</u>		
OTHER COMMENTS					